DEPARTMENT OF STATE A/CDC/MR
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June 5, 1969

Honorable J. W. Fulbright, Chairman
Committee on Foreign Relations
United States Senate
Washington, D. C. 20510

Dear Mr. Chairman:

I have received your letter of May 20 asking why payment by the Government of Israel of compensation for damage to the USS Liberty in the June 8, 1967 attack has been delayed, and when settlement can be expected.

The claim for damage to the ship was presented to the Government of Israel on July 3, 1968, after the Department of the Navy had sent us detailed estimates by naval experts of the cost of placing the USS Liberty in preattack condition. Although Israel had previously paid the death claims, representatives of the Government of Israel replied that their government wished to defer discussion of the ship claim until all remaining claims arising out of the incident had been presented. They indicated that Israel had not insisted on deferring payment of the death claims because it understood that some of the decedents' families were suffering financial hardship. Since respondent States often take the position that the terms of settlement should not be discussed until the claimant State has presented all related claims, we agreed to defer the discussion.

Preparation of the personal injury claims was not completed until March 1969. A significant element in the compensation claimed for personal injury was the degree of permanent impairment, and this could not be determined, in some of the very serious cases, until therapy

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was essentially completed and a definitive medical report was obtained. The remaining claims, which were for personal injury and for the expenses of the United States Government in providing medical treatment and in reimbursing crew members for damaged personal property, were presented on March 28, 1969. Israel paid these claims, without prior discussion, on April 28, 1969. We have now completed distribution to the injured men. A few days ago we instructed Embassy Tel Aviv to ask Israeli officials when we may expect a reply to our note presenting the claim for damage to the ship, but we have not yet received a reply.

I hope this information will be of assistance to you. We will keep you informed concerning the progress of our negotiations with the Govt of Israel.

Sincerely yours,

WBM

William B. Macomber, Jr.
Assistant Secretary for
Congressional Relations

And as soon as we have an Israeli Govt. reply to our latest inquiry, I will be back in touch with you.

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NEA/IAI - Mr. Lissfelt
(cleared in draft)
H - Mr. Leahy

JSL/WBM